

DOMINION OF CANADA

TWENTY-EIGHTH ANNUAL REPORT
OF THE
DEPARTMENT OF TRADE AND
COMMERCE

FOR THE

FISCAL YEAR ENDING MARCH 31, 1920

PRINTED BY ORDER OF PARLIAMENT



OTTAWA
THOMAS MULVEY
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1920

To His Excellency the Duke of Devonshire, K.G., P.C., G.C.M.G., G.C.V.O., etc., etc., Governor General and Commander in Chief of the Dominion of Canada.

MAY IT PLEASE YOUR EXCELLENCY,—

The undersigned has the honour to present to Your Excellency the Report of the Department of Trade and Commerce for the fiscal year ended March 31, 1920.

All of which is respectfully submitted.

GEORGE E. FOSTER,

Minister of Trade and Commerce.

DEPARTMENT OF TRADE AND COMMERCE,
OTTAWA, May 1, 1919.

Report of the Deputy Minister

OTTAWA, June 1, 1920.

The Rt. Hon. Sir GEORGE E. FOSTER, P.C., G.C.M.G., M.P.,
Minister of Trade and Commerce,
Ottawa.

SIR,—I have the honour to present herewith the Twenty-eighth Annual Report of the Department of Trade and Commerce, that is to say, for the fiscal year ended March 31, 1920.

The volume of the external trade of Canada for the fiscal year 1920, excepting the year 1918, was the greatest in the history of the Dominion. The aggregate trade of the imports for consumption and exports of Canadian produce—taking no account of the movements of coin and bullion—was a trifle over two billion three hundred million dollars. The imports for 1920 were greater by 72 per cent than similar imports just prior to the war, whilst the exports of Canadian merchandise exceeded similar exports in 1914 by 187 per cent.

The aggregate trade of Canada—imports for consumption and exports of Canadian merchandise, combined—for the fiscal year 1920 amounted to \$2,304,008,267, whilst the value of similar trade in 1914 amounted to \$1,050,045,583, showing an increase from 1914 to 1920 of \$1,253,962,684. The imports of merchandise for the fiscal year 1920 were valued at \$1,064,516,169 and for 1914 at \$618,457,144, showing an increase in imports from 1914 to 1920 of \$446,059,025; whilst the exports of Canadian merchandise for the fiscal year 1920 were valued at \$1,239,492,098, and for 1914 at \$431,588,439, showing a betterment in exports from 1914 to 1920 of \$807,903,659.

The following is a summary of the trade of Canada for the years 1914 (pre-war) 1918, 1919, and 1920:—

	Years ended March 31			
	1914	1918	1919	1920
	\$	\$	\$	\$
<i>Imports for Consumption.</i>				
Dutiable goods.....	410,258,744	542,341,522	526,481,620	693,643,211
Free goods.....	208,198,400	420,202,224	389,947,715	370,872,958
Total imports (mdse).....	618,457,144	962,543,746	916,429,335	1,064,516,169
Duty collected on imports.....	107,180,578	161,595,629	158,046,334	187,520,613
<i>Exports.</i>				
Canadian goods.....	431,588,439	1,540,027,788	1,216,443,806	1,239,492,098
Foreign goods.....	23,848,785	46,142,004	52,321,479	47,166,611
Total exports (mdse).....	455,437,224	1,586,169,792	1,268,765,285	1,286,658,709
Excess imports over exports.....	163,019,920	.....	.....	.....
Excess exports over imports.....	.....	623,626,046	352,335,950	222,142,540

Imports by Countries.

From

	Years ended March 31			
	1914	1918	1919	1920
	\$	\$	\$	\$
United Kingdom.....	132,070,362	81,324,283	73,035,118	125,989,330
Australia.....	713,111	2,356,665	4,963,446	1,369,218
British East Indies.....	7,218,987	16,454,226	15,223,434	16,211,738
British Guiana.....	3,179,112	6,716,647	6,747,072	7,412,931
British South Africa.....	477,823	553,362	1,300,259	735,960
British West Indies.....	4,347,310	10,550,550	8,437,825	12,102,540
Hong Kong.....	1,010,021	1,805,515	2,121,909	3,194,959
Newfoundland.....	1,840,523	2,947,527	3,098,834	2,146,414
New Zealand.....	3,192,900	3,735,559	7,855,436	3,494,600
Other British Empire.....	476,653	1,611,037	888,207	1,267,322
Argentine Republic.....	2,603,128	984,955	1,139,267	3,385,285
Belgium.....	4,490,476	12,973	6,270	911,407
Brazil.....	1,163,785	990,777	1,156,332	1,973,768
China.....	913,262	1,336,890	1,954,466	1,201,579
Cuba.....	3,952,887	1,085,547	1,040,953	17,585,528
France.....	14,276,535	5,274,064	3,632,900	10,609,122
Germany.....	14,586,223	27,181	75	44,255
Greece.....	445,036	20,296	33	700,899
Italy	2,090,387	771,187	555,112	999,040
Japan.....	2,604,216	12,255,319	13,618,122	13,635,774
Netherlands.....	3,015,456	1,054,176	495,409	2,264,321
United States.....	395,565,328	791,906,125	746,920,654	801,605,444
Other Foreign Countries.....	18,223,623	18,768,885	20,238,202	35,674,735

Exports Canadian Produce.

To

	1914	1918	1919	1920
	\$	\$	\$	\$
United Kingdom.....	215,253,969	845,480,069	540,750,977	489,151,806
Australia.....	4,673,997	8,751,677	14,019,629	11,415,623
British East Indies.....	686,324	3,774,475	3,831,741	6,762,259
British Guiana.....	649,675	1,978,323	2,646,169	3,109,381
British South Africa.....	3,831,270	5,065,658	11,992,135	8,649,756
British West Indies.....	4,469,329	6,838,563	10,200,582	10,869,263
Hong Kong.....	1,879,261	1,003,900	995,116	1,343,867
Newfoundland.....	4,508,090	10,191,564	11,325,235	16,175,443
New Zealand.....	1,933,698	4,089,823	6,227,892	6,987,008
Other British Empire.....	756,904	1,721,223	3,170,313	7,322,753
Argentine Republic.....	2,134,522	1,203,142	4,603,130	6,126,457
Belgium.....	4,269,394	4,909,453	950,318	28,463,855
Brazil.....	267,858	974,368	4,088,534	2,703,488
China.....	473,074	1,954,055	2,856,933	6,659,805
Cuba.....	1,815,414	4,015,940	5,035,975	6,329,783
France.....	3,632,444	201,526,297	96,103,142	61,106,938
Germany.....	4,044,019	.....	.....	610,528
Greece.....	11,934	4,262	16,902	29,588,984
Italy.....	514,660	3,336,059	13,181,514	16,961,312
Japan.....	1,587,467	4,861,244	12,245,439	7,732,514
Netherlands.....	3,985,987	2,462,574	198,985	5,653,218
United States.....	163,372,825	417,233,287	454,873,170	464,029,014
Other Foreign Countries.....	6,336,324	8,651,832	17,129,975	41,739,043

IMPORT AND EXPORT TRADE VALUES.

While heretofore, under normal conditions, export and import statistics when expressed in values conveyed a fairly accurate indication of the growth of Canada's foreign trade, to-day, one is apt to be considerably misled if *values* only are considered. One must now make a comparison in the *quantities* of the various articles exported or imported as compared with the quantities exported or imported in previous years.

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For example, the value of the exports for the fiscal year ended March 31, 1920, show an enormous increase over the value of exports for the same period ending March 31, 1914 (the last fiscal year prior to the war). In analysing further, however, the export statistics, computing the percentage of increase or decrease *by commodities*, as compared with the percentage in the increase or decrease in value, a very wide difference will be found.

It will be observed, in the accompanying statement as regards exports, for example, that the percentage in the increase, so far as quantities are concerned, is lower in almost every case, and in many cases very much lower, than the percentage of increase in values; and while a decrease in the percentage is shown in the quantities of some commodities exported yet an increase in the percentage of value is indicated.

The table appended herewith will afford an interesting study.

STATEMENT SHOWING QUANTITY AND VALUE OF CERTAIN CANADIAN PRODUCE EXPORTED FROM CANADA, WITH INCREASE OR DECREASE, 1920, COMPARED WITH 1914.

Articles Exported.	Canadian Exports.			Increase (i) or Decrease (d) 1920 compared 1914.	
	Years ended March 31—			Amount.	Per Cent.
	1914.	1918.	1920.		
Animals, living—					
Cattle..... No.	219,729	191,356	518,352	(i) 298,623	135.9
\$	7,906,794	14,136,944	46,064,631	(i) 38,157,837	482.5
Horses..... No.	3,568	16,468	3,889	(i) 321	8.9
\$	783,631	3,077,345	708,137	(d) 75,494	9.6
Sheep..... No.	20,543	134,705	182,709	(i) 162,166	789.4
\$	128,493	1,706,016	2,108,962	(i) 1,980,469	1,541.3
Apples, green or ripe.... Brl.	947,382	103,626	873,882	(d) 73,500	7.7
\$	3,465,475	408,029	4,242,219	(i) 776,744	22.4
Automobiles..... No.	6,306	8,447	24,506	(i) 18,200	288.6
\$	3,571,862	3,807,278	14,883,607	(i) 11,311,745	316.7
Breadstuffs—					
Barley..... Bush.	13,032,369	6,846,790	14,395,031	(i) 1,362,662	10.4
\$	6,513,557	8,202,524	20,206,972	(i) 13,693,415	210.2
Oats..... Bush.	34,996,664	54,877,882	10,768,872	(d) 24,227,792	69.2
\$	13,379,849	37,644,293	9,349,455	(d) 4,030,394	30.1
Oatmeal..... Brl.	111,527	281,333	447,335	(i) 335,808	301.1
\$	488,589	2,220,666	4,283,772	(i) 3,795,183	776.7
Pease, whole..... Bush.	121,359	107,502	228,546	(i) 107,187	88.3
\$	240,274	480,054	920,440	(i) 680,166	283.07
Wheat..... Bush.	120,426,579	150,392,037	77,978,037	(d) 42,448,542	35.2
\$	117,719,217	366,341,565	185,044,806	(i) 67,325,589	57.1
Wheat flour..... Brl.	4,832,183	9,931,148	8,863,068	(i) 4,030,885	83.4
\$	20,581,079	95,896,492	94,262,928	(i) 73,698,849	358.0
Calcium carbide..... Lb.	5,441,061	154,439,600	88,251,000	(i) 82,809,939	1,521.9
\$	161,026	4,058,121	3,599,899	(i) 3,438,873	2,135.6
Coal..... Ton.	1,498,820	1,902,010	2,120,138	(i) 621,318	41.4
\$	3,703,765	8,684,038	13,183,666	(i) 9,479,901	255.9
Fish—					
Codfish, haddock, ling and pollock, dry salted..... Cwt.	746,482	772,027	752,340	(i) 5,858	0.7
\$	4,564,731	7,088,983	9,178,857	(i) 4,614,126	101.08
Lobsters, canned..... Lb.	8,271,662	8,663,949	5,924,600	(d) 2,347,062	28.3
\$	2,983,897	3,325,117	4,083,678	(i) 1,099,691	36.8
Salmon, canned..... Lb.	61,097,424	43,777,154	61,528,800	(i) 431,376	0.7
\$	6,631,437	8,478,661	12,067,319	(i) 5,435,882	81.9
Hay..... Ton.	191,515	440,368	218,561	(i) 27,046	14.1
\$	1,787,050	5,073,814	4,087,670	(i) 2,300,620	128.7
Leather—					
Sole leather..... Lb.	7,973,368	3,763,497	5,524,409	(d) 2,448,959	30.7
\$	2,336,491	1,921,945	2,773,642	(i) 437,151	18.7

STATEMENT SHOWING QUANTITY AND VALUE OF CERTAIN CANADIAN PRODUCE EXPORTED FROM CANADA, WITH INCREASE OR DECREASE, 1920, COMPARED WITH 1914—Concluded.

Articles Exported.	Canadian Exports.			Increase (i) or Decrease (d), 1920 compared 1914.	
	Years ended March 31—			Amount.	Per Cent.
	1914.	1918.	1920.		
Metals—					
Aluminium in bars, ingots, etc.....	Cwt.	1,885,074	7,581,838	5,680,871	(i) 3,795,797 201.3
Asbestos.....	\$	105,971	98,659	105,694	(d) 277 0.2
	\$	2,891,669	5,331,593	8,532,027	(i) 5,640,358 195.05
Copper, fine contained in ore matte, etc....	Lb.	83,250,198	77,534,900	42,003,300	(d) 41,246,898 49.5
	\$	9,489,729	10,710,705	5,253,218	(d) 4,236,511 44.6
Iron ore.....	Ton.	113,650	157,912	7,485	(d) 106,165 93.4
	\$	398,023	670,321	32,421	(d) 365,602 91.8
Lead, metallic.....	Lb.	274,760	9,377,800	10,789,400	(i) 10,514,640 3,826.8
	\$	7,562	556,669	506,789	(i) 499,227 6,601.7
Nickel, fine, contained in ore matte, etc....	Lb.	50,580,536	83,049,900	44,140,700	(d) 6,439,836 12.7
	\$	5,374,738	9,029,535	9,039,221	(i) 3,664,483 68.1
Milk and cream, condensed.....	Lb.	9,339,382	43,656,718	54,247,498	(i) 44,908,116 480.8
	\$	666,941	4,955,048	8,517,771	(i) 7,850,830 1,177.1
Paper—					
Printing.....	Cwt.	5,851,579	12,101,865	14,320,086	(i) 8,468,507 144.7
	\$	11,386,845	33,978,347	53,640,122	(i) 42,253,277 371.07
Wrapping.....	Cwt.	182,520	237,924	362,682	(i) 180,162 98.7
	\$	615,310	1,294,725	2,917,197	(i) 2,301,887 374.1
Provisions—					
Butter.....	Lb.	1,228,753	4,926,154	17,612,605	(i) 16,383,852 1,333.3
	\$	309,046	2,000,467	9,844,359	(i) 9,535,313 3,085.4
Cheese.....	Lb.	144,478,340	169,530,753	126,395,777	(d) 18,082,563 12.5
	\$	18,868,785	36,602,504	36,336,863	(i) 17,468,078 92.5
Eggs.....	Doz.	124,002	4,896,793	6,000,528	(i) 5,876,526 4,739.05
	\$	37,150	2,271,299	3,496,827	(i) 3,459,677 9,312.7
Meats—					
Bacon and hams.....	Lb.	25,749,936	207,832,998	223,642,600	(i) 197,892,664 768.5
	\$	4,033,106	60,082,494	70,123,580	(i) 6,090,474 151.01
Beef.....	Lb.	13,133,205	86,565,104	110,047,800	(i) 96,914,595 737.9
	\$	1,127,908	13,016,378	19,637,656	(i) 18,509,748 1,641.07
Canned meats.....	Lb.	638,583	13,422,624	2,812,707	(i) 2,174,123 340.4
	\$	94,961	3,695,384	1,102,842	(i) 1,007,881 1,061.3
Pork.....	Lb.	1,811,204	7,909,803	6,682,300	(i) 4,871,096 268.9
	\$	202,391	2,052,192	1,641,570	(i) 1,439,179 711.08
Seeds—					
Clover.....	Bush.	118,061	99,523	186,328	(i) 67,727 57.1
	\$	1,094,330	1,193,814	4,314,341	(i) 3,220,011 249.2
Flax.....	Bush.	20,647,327	6,424,550	1,127,986	(d) 19,519,341 94.5
	\$	24,816,333	19,764,255	5,395,675	(d) 19,420,658 78.2
Textiles—					
Binder twine.....	Lb.	4,690,820	6,982,400	28,091,500	(i) 23,400,680 498.8
	\$	453,530	1,194,962	5,530,908	(i) 5,077,378 1,119.5
Cotton fabrics.....	Yd.	356,081	7,359,608	9,949,981	(i) 9,593,900 2,694.3
	\$	82,636	1,914,131	2,683,273	(i) 2,600,637 3,147.09
Wool, raw.....	Lb.	2,841,184	10,576,627	9,084,727	(i) 6,243,543 219.7
	\$	648,675	6,885,907	5,472,236	(i) 4,823,561 743.6
Vegetables—					
Potatoes.....	Bush.	1,980,844	3,318,185	6,327,343	(i) 4,346,499 219.4
	\$	1,127,541	4,451,581	8,039,107	(i) 6,911,566 612.9
Turnips.....	Bush.	1,707,062	2,446,380	2,128,882	(i) 421,820 24.7
	\$	309,582	689,199	957,042	(i) 647,460 209.1
Wood—					
Planks and boards....	M ft.	1,574,204	1,423,290	2,085,262	(i) 511,058 32.5
	\$	29,047,752	33,624,488	75,216,193	(i) 46,168,441 158.9
Pulp wood.....	Cord	1,089,384	1,002,127	838,732	(d) 250,652 23.03
	\$	7,388,770	8,339,278	8,454,803	(i) 1,066,033 14.4
Shingles.....	M	689,150	1,914,154	2,106,373	(i) 1,417,223 205.6
	\$	1,775,619	5,292,306	10,848,602	(i) 9,072,983 510.9
Wood pulp—					
Chemically prepared	Cwt.	1,515,633	5,385,010	8,601,942	(i) 7,086,309 467.5
	\$	2,923,083	19,133,813	33,000,063	(i) 30,076,980 1,028.9
Mechanically ground	Cwt.	4,816,170	4,311,694	6,787,640	(i) 1,971,470 40.9
	\$	3,441,741	6,487,079	8,383,419	(i) 4,941,678 143.6

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DEALING THROUGH FOREIGN SELLING AGENCIES.

The only skeleton in Canada's foreign trade closet is the dependence of Canadian firms upon foreign intermediate commission houses and foreign channels. Every possible effort should be made to ship Canadian goods through Canadian channels, from Canadian seaports to foreign markets to which the goods are destined. The great increase of Canada's merchant marine will go a long way in assisting this object. Canadian export trade should be independent. It would assist in building up Canadian seaports and direct overseas connections.

Canada imports every day goods made under foreign flags from Canadian raw material. The Canadian purchaser pays the wages and the profits of foreign manufacture, also the transportation costs of both raw material and finished goods. In resources and variety of raw materials, in sites and power for factories, in transportation and situation with regard to the world's markets, Canada is unrivalled.

Criticism has been offered with respect to the policy adopted heretofore of opening one European agency by Canadian exporters to serve for several countries. While exclusive selling agencies for all Europe in one of the European capitals may have some advantages, yet since the war conditions have changed. Importers, for example in Scandinavian countries, who are ready to pay cash and desire to deal direct, do not appreciate being referred to London or Paris.

Not infrequently cases are brought to the attention of the department of Canadian firms, before whom the department has placed information as to purchases desired abroad, who have referred such inquiries to firms in the United States. In such cases the department has removed the names of such firms from its lists of Canadian export firms so that no further information will be furnished them.

Complaints have also reached the department from foreign buyers that upon their placing an order with certain Canadian manufacturers to purchase goods manufactured by them they have been referred to agencies in the United States and informed that such United States agencies handle all their foreign business. In some cases foreign purchasers have thereupon refused to place the order.

FOREIGN TRADE.

Exporters generally are too prone to take too much for granted. The foreign buyer has ideas of his own, and though business throughout the world may have a common basis of trading, still the buyer abroad and the trade to which he has to cater have peculiarities which must be studied. The firm, therefore, who has anything to sell must place the foreign importer in possession of all information to the last detail. No shipment should be made until the exporter is certain that the requirements of his foreign customer have been complied with as to credits, transportation, packing qualities and styles of goods, weights, and measures, etc.

Foreign competition for the trade of the world is very intelligent and very fierce, and if a Canadian manufacturer seeks foreign business he has to meet that competition and to meet it adequately. To meet it adequately means the employment of brains and money and the putting forth of conscientious efforts to acquire in some degree at least the purchasers' point of view and a disposition and willingness to meet him at least half-way in his wishes; to try to give him the things he wants and now what the Canadian manufacturer thinks he ought to want. What is more, if our people expect to compete with the Americans, French, and Germans, etc., they must educate the younger generation of business men to understand foreign trade and to speak foreign languages, and to meet foreign methods and demands.

CANADIAN MERCHANT MARINE.

While the department exercises no control over the Canadian Government Merchant Marine, Limited, it is interesting to note, in considering the extension of Canadian trade overseas, the development of the Government Steamship Line. The Canadian Government Merchant Marine, Limited, began its service in March, 1919, with one boat, namely, the *Canadian Voyageur*, of 4,575 tons deadweight. She sailed for the West Indies; and as indicating the growth of the business of that line, ten boats are now in the service between Canada and those British colonies and Cuba, with a dead weight carrying capacity of nearly 40,000 tons.

Since the commencement of the overseas Government services up to the 31st March last 71 voyages have been performed, viz.:—

From Canada to the United Kingdom.....	24
" " France.....	2
" " the West Indies and Cuba.....	32
" " South America.....	3
" " Newfoundland.....	7
" " Australian and New Zealand ports.....	3

Regular services are now established between Canada and London, Liverpool, Glasgow, Barbados, Trinidad, Demerara, Kingston (Jamaica), Havana, Pernambuco, Rio de Janeiro, Santos, Buenos Aires, Sydney, Melbourne, Newcastle (Australia), Auckland and Wellington, as well as a service from Montreal to Charlottetown, P.E.I., and St. John's, Nfld. Services are about to be established also between Montreal and Cardiff and Swansea. Another service is about to be established from Charlottetown, calling at Sydney and Halifax, to Liverpool. The company also has in contemplation a service beginning about the end of August, from Montreal to Karachi, Bombay, Colomba and Java, and from Vancouver to Shanghai, Hong Kong, Singapore and Calcutta. The company is also making straight charters, such as for pulpwood, from Chicoutimi to France.

While the company at present have thirty boats in the service with a dead-weight carrying capacity of 155,000 tons, there are several other vessels to be delivered before the end of June, and up to the 30th September next they expect to have forty vessels in commission.

The total value of goods of Canadian origin exported in the vessels of the Canadian Government Merchant Marine up to March 31 was \$30,099,042, and of American origin, \$1,051,546.

CREDITS.

With the reconstruction of international trade throughout the world it is becoming a *sine qua non* that long credits are necessary. If, therefore, Canadian exporters desire to take advantages of the markets now open to them in Europe and elsewhere, long-time payments must be allowed.

Practically every country realizes that if Europe is to regain its economic stability, the countries which prospered during the war must assist. Many Canadian factories are now working overtime in manufacturing articles for which Europe is crying, and could well afford, in many directions, to give long credits, thus ensuring for themselves a market for all time. It has been reported by the Overseas Trade Branch of the department in London that scarcely a day passes without some large order being refused because the Canadian agent is unable to give the credit demanded. The Canadian Government, at a time when it was most needed, granted extensive credits and saved the export trade of Canada during the transition period between actual chaos and the time when the first practical steps could be taken toward reconstruction. The Government,

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however, could not continue granting credits indefinitely, and it therefore behoves Canadian firms, many of whom are in a very strong financial position, to do their part, with the assistance of the banks, in taking up the responsibility of granting credits abroad.

Mr. Noxon, chairman of the Overseas Trade Branch of the department in London, recently stated that:—

“Considering the fact that nearly all manufactured goods have advanced in price since the war from 100 per cent to 500 per cent, Canada possesses much of the raw material used in production and should be able with cheap power and efficient labour to produce not only sufficient for the home requirements, but should be able to export against any competition.

INACCURATE TRADE STATISTICS.

It is to be regretted that Canada indirectly suffers from inaccurate trade statistics published in various foreign countries. A considerable amount of Canadian trade, as is well known, passes through the United States, and certain foreign countries are in the habit of crediting importations from the “country of consignment” rather than the “country of origin.”

This department is doing its utmost to bring these anomalies to the attention of the authorities of the countries concerned.

India, for example, in the latest statistics of imports received, credits Canada for the fiscal year ended March 31, 1918, with imports amounting to \$245,168, whereas Canadian exports were, according to Canadian export returns, \$2,955,-630. The question has been taken up with the Indian authorities in the hope that their system of compiling statistical imports might be improved. The matter was also discussed at the recent Imperial Statistical Conference in London.

In this connection it might also be observed that recently the Canadian Trade Commissioner to the Netherlands has brought to the attention of the department similar conditions as regards the Dutch import trade statistics. In reporting upon the subject, he stated in part as follows:—

“In spite of the fact that Canada is specifically included in list of countries of origin the Dominion appears only five times in the monthly statistics.

“It should not be concluded from this fact, however, that the above are the only goods which Canada is exporting to Holland. This office happens to know that among other goods imported into this country from Canada recently, were dried fruit, lumber, seeds, grinding wheels, elastic braces, tobacco, cork, lathes and planers, packing-house products, chemicals, farm implements, provisions, flax, straw, and tools. As above stated, imports when not of great importance are not credited to particular countries, but included in the totals only.

“Information gathered here points to the conclusion that a very great proportion of Canada’s exports to this country are credited to the United States, England, or in some instances Belgium, in Dutch official import returns.

“On account of the lack of direct shipping facilities to this country from Canada, Canadian goods usually pass through one of the above three countries en route to this market. The Dutch Bureau of Statistics depends for its information in regard to imports on declarations made by the importers here, and in the ordinary course does not even require invoices, much less certificates of origin. The importer, who, as a rule, has a large number of declarations to make out, simply declares all goods coming via New York, United States goods. A number of prominent

importers here have verified this statement. It should also be noted that in many cases goods passing through England and the United States are handled by American and English export-import merchants, who re-invoice the goods on their own billheads, thus unintentionally misleading the importer here as to the origin of the goods, even did he go to the trouble of discriminating between Canadian and American goods, where possible."

While Canadian exports are correctly indicated in Canadian export returns, yet the imports from Canada, as indicated by various foreign countries, convey incorrect information as to the importance of Canada in the commercial affairs of the world.

Comments are made in leading trade publications abroad upon trade statistics as published, and frequently Canada is not mentioned by reason of the absence of statistics indicating imports from Canada. In certain foreign quarters therefore, Canada is unknown as a country which can and does supply large quantities of commodities which the buyer abroad requires. Such foreign comments not infrequently are republished in the United States as an evidence of the very large growth of the export trade of that country.

BUSINESS CORRESPONDENCE.

In dealing with foreigners, the Canadian business man has always a tendency to forget that the best methods to use are seldom those which produce the best results in Canada. Two cases in point are the character of letters written to prospective customers abroad, and the failure to supply the foreign correspondent—when opening negotiations—with proper information about one's financial standing and responsibility. If, when writing to a possible foreign buyer, the Canadian firm will bear in mind that the foreigner is probably unfamiliar with their name and the merits of their line, and that full particulars are much more to be desired than the short, businesslike quotations submitted to a local concern, a great deal of benefit would accrue.

On this subject a business man, himself interested in selling Canadian specialties abroad, recently suggested that Canadian manufacturers and exporters should write an individual letter when sending catalogues, giving full details regarding prices, discounts, mode of payment, and other obvious particulars which are necessary in order to develop business, especially in foreign countries.

Form letters explaining a line, have their advantages if accompanied by a more personal communication referring to the particular inquiry, but more experienced Canadian exporters believe that, as a general rule, their use should not be encouraged.

In commencing correspondence with a foreigner with a view to establishing commercial relations, the Canadian business man should more than ever bear in mind that his correspondent has perhaps never heard of him, and cannot readily learn anything of his financial standing or integrity. Moreover, as it is he who is making the overture, business courtesy—to say nothing of better business itself—demands that he give sufficient information about himself, rather than expect his correspondent to search for it. Instead of this, however, some Canadian firms go so far as to request credit information without first supplying it regarding themselves.

HONESTY IN BUSINESS.

The undersigned has not infrequently drawn attention to the lack of consideration shown by Canadian exporters towards foreign importers desiring to purchase Canadian goods not only in negligence in replying to correspondence,

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but in filling orders in a way other than desired by the foreign buyer. One of the world's greatest masters of business laid down four rules which he considered essential to success, which it may not be amiss to reproduce here. These four rules for manufacturers are as follows:—

- 1st. No sharp bargains. Do more, not less, than promised.
- 2nd. If dispute arises always give the other party the benefit of the doubt. Avoid resort to law; compromise.
- 3rd. Subject all products to more rigid tests than purchaser requires. A reputation for producing the best is a sure foundation upon which to build.
- 4th. Should honest, capable contractors need extension of payments from accident or unusual stringency, be lenient, generous, and help them, thus making them friends.

Go ABROAD.

World-wide business offers greater opportunities for the man of big, broad virile imagination than the home market. The man of practical far-sight sees a great new idea while the little man holds back. The foreign markets call for great skill, for intelligent care in planning, for real merchandising judgment, for the best business brains of any country. They invite the man of ideas and courage.

The executive who can go abroad himself will always profit by doing so. Nobody can see just as he does. No subordinate will see the bold opportunity and take it, and then make it go, as he will. No executive can see, through typewritten reports and vague opinions, as he will see when he gets the human touch in a foreign city, sees the way the people live, finds that foreigners feel about things pretty much as he does, and seizes the faith that he can appeal successfully for the trade of foreign population.

In order to make a success in foreign trade, exporters must first grasp the fundamental conditions. The foreign importer should be offered good inducements to push the particular goods. He must be made to see that it is to his, personal advantage to buy your goods. He must be able to resell the goods at profit to himself. Exporters should endeavour to place themselves in the position of the foreign importer, and insure that the latter gets the very last bit of necessary information to enable him to decide as to whether he will buy. This is frequently difficult for the exporter to do without first-hand knowledge of the foreign importers' requirements.

Therefore I may say to executives and principals of exporting firms: "Go abroad yourself." The business which can be picked up over the coffee cups with your prospective customers can scarcely be overestimated. You, alone, or your responsible representatives, are in a position to give definite information as to prices, or make such concession as will insure the business. Big men abroad want to talk to big men, and not to irresponsible representatives. Many instances, too numerous to recite, can be given of lasting business connections having been made by principals themselves going abroad and meeting principals.

Over and over again information has come to the writer as to exclusiveness of the wealthy principals of large foreign commercial houses. They are loath to permit any one to intrude upon their time. They can easily turn a visiting agent over to a subordinate to deal with when they would hesitate to refuse to receive one whom they recognize to be the head of a foreign house.

BUY GOODS MADE IN CANADA.

Buying only goods made in Canada would solve for the Dominion, the war debt problem. The purchases in Canada of only Canadian-made goods should be loyally observed by every man, woman and child in the country. It is true

that better made goods, at times, may be purchased abroad than may be available in Canada, but with a little sacrifice, if home articles are purchased, it is reasonable to suppose that their manufacture will be improved.

If we all, however, followed as a fetish, the slogan "Buy only Goods made in Canada or in the Empire," it would promptly rectify the exchange disadvantage under which we suffer, build up Canadian factories, provide labour for the Canadian workingmen, increase transportation over Canadian railways, and enormously develop Canadian resources. Every dollar spent for an imported article only assists in building up a foreign factory. This having been accomplished, Canadian exporters should get away from the long-standing practice of relying upon foreign commission houses to find a market for their goods.

There is a yawning market in almost every country in the world for Canadian goods, and if Canadian exporters would keep before them at all times the desirability of shipping their goods from Canadian seaports, the increased transportation facilities would result rather than that Canadian goods should assist to congest United States seaports and thus delay their transportation abroad.

Occasionally it is stated that goods not made in Canada are stamped "Made in Canada," and hence buyers endeavouring to purchase only Canadian-made goods are misled. In this connection it may be stated that the Criminal Code provides for such misrepresentations, and under its provisions any one feeling themselves aggrieved, can lay information before a magistrate with a view to prosecuting vendors of foreign-made goods which are falsely marked as being of Canadian manufacture.

TRADE COMMISSIONERS' OFFICES.

Criticism is directed occasionally by Canadian travellers abroad, to what is termed, "the alleged inadequate staff and equipment of the Canadian Trade Commissioners' offices." Such travellers may have personal knowledge of one or two offices only, and have no means of judging intelligently of the Trade Commissioners' offices as a whole. Such travellers do not realize that the maintenance of a corps of Trade Commissioners abroad means a heavy expense upon the Canadian Government, and in recent years, with the ever increasing cost of salaries, rentals and equipment, the total expenditure has greatly increased. Nevertheless the service has increased even at a time when the financial condition of the country renders economy in every direction a vital factor in the future success and prosperity of the Dominion.

Foreign consuls have revenues for their offices, while a Trade Commissioner has none. The revenues of some foreign consuls not only pay the entire expense of a well equipped office, but some consuls are able to send a surplus to their home Government every year.

There are yet many fields in which Trade Commissioners could be established, and it is preferable that representation should be established in a larger number of countries, rather than that the total expenditure should be concentrated in a few.

The foreign travellers referred to are imbued with much the same impression as are too many Canadian manufacturers. Too much is expected of a Trade Commissioner. He is not an agent nor a broker, nor does he work on a commission basis. He points the way, but manufacturers and exporters must then do their share.

The department has seldom failed in explaining satisfactorily, criticism which has been made without the slightest knowledge of the facts. The department, however, does not resent criticism nor suggestions, but is ever ready to promptly put into force any system or suggestion, within the limitations necessary in the conduct of such a service, which may appear an improvement in the conduct of the Canadian Trade Commissioners.

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WHAT THE DEPARTMENT IS DOING.

The Department of Trade and Commerce expends time and money in collecting lists of names of Canadian manufacturers in order to be able to furnish names to British and foreign enquirers who want to buy from Canada. Is there not some obligation resting upon the manufacturer, whether he desires to engage in foreign trade or not, to see that his name and address and particulars of what he manufactures are on file at Ottawa? A corps of Canadian Trade Commissioners in various parts of the world are devoting their whole time to finding markets for Canadian produce. They are doing splendid service. Over and over again their work has met with conspicuous success but not infrequently their efforts are rendered disheartening owing either to the lack of support or the passive indifference of exporters at home.

The department can very properly ask: "What can it do to help your foreign trade? Are you availing yourself of every facility offered you by the Government to-day? Have you ever inquired as to what the Government is doing to assist you?" Would such information be of any interest? If, so why not get it.

Canada has something between eight and nine million people. She has vast productive areas and vast resources of raw material. She has recognized her responsibility to humanity by taking her place on the side of right and justice in this world war.

It is not sufficient for each to think of his own individual welfare in the future. It is the duty of all to work overtime for the advancement of Canada.

The nation that gets down to team play and a scientific study of its problems is the one that will forge ahead in the keen trade competition that will follow this world crisis.

The Department of Trade and Commerce maintains a corps of especially equipped Trade Commissioners in various parts of the world, some of them having been especially trained in the department for their work abroad. These Trade Commissioners are, at present, established in the following countries:—

Argentine Republic, Australia, Brazil, British West Indies, China, Cuba, France, Holland, India, Italy, Japan, Newfoundland, New Zealand, South Africa, Southeastern Europe, and the United Kingdom.

It is intended that this service will be extended from time to time, thus opening new markets for Canadian exports. These Trade Commissioners, under direct instructions from Ottawa, report frequently to the department, and within a few days these reports are published in the *Weekly Bulletin*, issued by the department, and distributed widely throughout the whole of Canada, free of charge.

COMMERCIAL INTELLIGENCE BRANCH.

Perhaps the most important feature of the work of the Commercial Intelligence Branch during the past year was the return to Canada of twelve Canadian Trade Commissioners who had been overseas for a number of years. It is the established policy of the Department of Trade and Commerce to bring home the Trade Commissioners from time to time in order that they may not get out of touch with Canadian conditions. Under ordinary circumstances only a few of them would come home each year, but during the war period it was not considered practicable to have the Trade Commissioners return to Canada, and so when the war was over a number of the Commissioners came at the same time.

Mr. H. R. Poussette, formerly Trade Commissioner in Buenos Aires, Argentina, and Mr. Gordon B. Johnson, formerly Trade Commissioner in Yokohama, Japan, secured leave of absence from the Commercial Intelligence Service for active service overseas. When the war was over they returned to Canada. After they had taken trips through the country calling upon manufacturers, Mr.

Johnson was sent to Rio de Janeiro, Brazil, as Trade Commissioner, and Mr. H. R. Poussette was sent on an inspection trip to Newfoundland, and afterwards to Japan, China, Vladivostok and India. He is at present in India. Mr. C. F. Just, formerly Canadian Trade Commissioner in Petrograd, and more recently a member of the Canadian Economic Commission (Siberia), after his return to Canada was superannuated at his own request.

The other Trade Commissioners who visited Canada up to April 30 last were:—

D. H. Ross, Canadian Trade Commissioner, Melbourne, Aus.
 W. A. Beddoe, Canadian Trade Commissioner, Auckland, N.Z.
 J. W. Ross, Canadian Trade Commissioner, Shanghai, China.
 W. J. Egan, Canadian Trade Commissioner, Cape Town, S.A.
 Harrison Watson, Canadian Trade Commissioner, London, Eng.
 J. E. Ray, Canadian Trade Commissioner, Manchester, Eng.
 B. S. Webb, Canadian Trade Commissioner, Buenos Aires, Argentine Republic.

E. H. S. Flood, Canadian Trade Commissioner, Barbados, B.W.I.
 L. D. Wilgress, formerly Trade Commissioner in Vladivostok, Siberia.
 N. D. Johnston, Canadian Trade Commissioner, Bristol, Eng.
 J. F. Smith, Liverpool, Eng.

Owing to illness, Mr. E. H. S. Flood, Canadian Trade Commissioner to the British West Indies, was only able to call on a few manufacturers, but each of the other visiting Trade Commissioners called on a large number.

There is no doubt that the visit of these Trade Commissioners to Canada was of great advantage to Canadian trade. They were able to talk face to face with manufacturers with whom they had been corresponding for years as well as with those who have not taken any interest in export trade until recently. Not only could the Trade Commissioners give the manufacturers more information in half an hour's conversation than in several long letters, but the visit created a personal relationship between the manufacturers and the Trade Commissioners which will be very helpful in future correspondence.

The following new Trade Commissioners were appointed during the past year:—

Lieut.-Col. Hercule Barre, Paris, France.
 Major Hugh A. Chisholm, Havana, Cuba.
 Lieut. J. Vernon McKenzie, Glasgow, Scotland.

Mr. P. W. Ward was appointed Assistant Trade Commissioner for duty in Capetown on the 1st of April of this year. He sailed for South Africa early in May of this year.

Lieut.-Col. Barre will work in co-operation with Mr. Phillippe Roy, Commissioner General of Canada in Paris, France. He has an office in the same building.

Mr. W. McL. Clarke, Canadian Trade Commissioner in Milan, Italy, was sent on a special mission to Spain, and prepared a series of articles on prospects of Canadian trade in that country which were published in the *Weekly Bulletin* of the Department of Trade and Commerce. He was afterwards instructed to visit Greece, and his report on conditions in that country is being published in the *Weekly Bulletin*.

Mr. L. D. Wilgress, who was Trade Commissioner in Siberia and served on the Canadian Economic Commission (Siberia), has been appointed Trade Commissioner for Southeastern Europe. He will investigate trade conditions in Poland, Jugo Slavia, Czecho Slovakia and in south of Russia.

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Many Canadian manufacturers have shown a great interest in export trade since the armistice was signed. The correspondence of the Commercial Intelligence Branch has greatly increased and a number of special investigations have been made on behalf of Canadian firms who wished to have information regarding overseas markets for their products and the various factors affecting their sale in competition with the products of rival manufacturing countries. In making such investigations the Commercial Intelligence Branch not only utilizes the services of Canadian Trade Commissioners but in countries where Canada is not directly represented advantage is taken of the arrangements made by Right Honourable Sir George E. Foster with the British Foreign Office whereby British Consuls co-operate with the Commercial Intelligence Service of Canada, and much valuable information has been secured from British Consuls. The British Trade Commissioner in Calcutta, India, has also answered many letters giving important information, and he issued to British firms in India a special bulletin made up of extracts from the book "Canada, the Country of the Twentieth Century," published by this department.

Great industries have been established in Canada in connection with the war. In some cases the whole output of large plants had been sold to the British Government or the Canadian Government during the war period and new outlets had to be found. For instance, Canada has the largest acetic acid plant in the world. The whole of the product was sold to the British Government during war-time and yet since the armistice was signed new markets have been found for the whole of the immense production of this plant.

In a number of cases the sales managers of great Canadian companies have called at the head office of the Commercial Intelligence Branch to express their appreciation of the assistance given in finding new markets for their products overseas.

However, in some cases when inquiries came from abroad for specified quantities of Canadian products for immediate delivery it was difficult to secure supplies from Canadian manufacturers owing to the large Canadian demand, difficulty in securing materials, and labour shortage.

For some time after the ending of hostilities the lack of shipping facilities seriously handicapped Canadian export trade, but the situation in this regard has greatly improved.

The most serious difficulty at the present time as regards export trade to the United Kingdom is the exchange situation.

Export of Canadian manufactured products to France has been to a considerable extent discouraged by the great increases in the French tariff, coupled with the depreciation of the franc as compared with the Canadian dollar. Italy also is determined to protect its own industries against foreign competition in the reconstruction period and many restrictions have been imposed.

More recently the Australian Government proclaimed a new tariff, which came into operation on March 25. The tariff consists of three schedules, that is to say, British Preferential, Intermediate, and General. Canadian exports are subject to the General Tariff.

The British Preferential is extended to imports from the United Kingdom, and excluding an existing limited agreement with British South Africa, no preference is granted by Australia to any dominion; but the Minister of Trade and Customs stated in the Commonwealth Parliament that the Bill provided for reciprocal arrangements with any dominion on the basis of the British Preferential or Intermediate Schedules, in whole or in part. The Canadian Government is now considering an exchange of views with the Australian authorities in the hope that the trade relations between the two countries may be improved.

MOVING PICTURE FILMS.

In the Exhibits and Publicity Bureau, there has been increased activity in connection with the preparation and distribution of motion pictures of Canada. The work has been carried on in co-operation with other departments of the Government service, and the following films have been produced and released during the year:—

- Building Aeroplanes in Canada.
- Prince of Playgrounds.
- Harvest of the Sugar Maple Tree.
- Salmon Fishing on the Skeena.
- The Enemy of the Forest.
- A Fish and Bear Tale.
- Along the St. John River.
- Campfires among the Snowpeaks.
- Fish and Fishing for Everybody.
- Algonquin Park—Land of a Thousand Lakes.
- Along the St. Maurice.
- A Bird City.
- Peace Hath Her Victories.
- Ottawa, the Edinburgh of North America.
- In the Valley of the Yoho.
- Apple Time in Evangeline's Land.
- The Playground of a Continent.
- The Last of the Bison.
- Where the Moose Run Loose.
- A Motor Boat Ramble.
- Solving Canada's Fuel Problem.
- A City of Sunshine.

The distribution of our motion pictures in Canadian theatres has been continued, one film having been released every second week.

In Canada the films were also exhibited during the summer and fall of 1919 by Mr. D. W. Johnson, Official Lecturer of the Bureau, at the Fairs held at Calgary, Edmonton, Regina, Saskatoon, Brandon, Toronto, Ottawa, Chatham, London and Halifax. It is estimated that approximately 150,000 people saw the pictures and heard the educational talks in connection with these exhibitions.

In August, 1919, a contract was entered into with Sir William F. Jury, one of the foremost film distributors in England, for the distribution of our motion pictures in Great Britain. To the end of March, 1920, 84,000 feet of film had been forwarded to England for this purpose.

Our films have also been distributed in the United States in 6,000 theatres, and it is estimated that they are exhibited to over 3,000,000 people per week.

In addition to the above, our films are being circulated by our Trade Commissioners in Australia, New Zealand, South Africa, and Newfoundland. They are being distributed in India by the Educational Kinematograph and a series is in course of preparation for circulation in Havana and South America, in which is involved the translation of titles into Spanish and Portuguese.

Still photographs have been secured of practically all the motion-picture views, which have been of use for illustrations in newspapers and magazines and for the making of lantern slides.

BUREAU OF STATISTICS.

The Dominion Bureau of Statistics now carries on its work in ten divisions, not including an "Administration" Division, which controls staff, answers inquiries of the public, maintains a central tabulation service for other departments, etc., etc.

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Before giving a brief outline of the work of the above divisions, it may be remarked that a feature of the year was the further completion of the scheme of statistical centralization, which is now the policy of the Government under the Statistics Act and Regulations. The Statistical Branch of the Department of Railways and Canals, dealing with the statistics of railways, street railways, express companies, telegraphs, telephones and canals, was transferred to the bureau during 1919, and reorganized in co-ordination with the work in other fields. Definite arrangements were also made for the taking of an annual census of central electric stations in collaboration with the Dominion Water Power Branch, Department of the Interior, the Hydro-Electric Power Commission of Ontario, The Quebec Streams Commission, and other bodies. Similarly, by an arrangement with the Forestry Branch, Department of the Interior, the statistics of lumbering, pulp and paper and allied industries are now published under a co-operative agreement.

Demography.—Beginning with January 1, 1920, six provinces send on their monthly collections of the statistics of births and deaths to the bureau for compilation. It is expected that the remaining provinces will be brought within the scheme during the present calendar year. The co-ordination of migration statistics was under discussion with the Department of Immigration. Considerable progress was made in connection with the planning of the census of 1921.

Agriculture.—The usual census of acreages and live stock on farms in June was taken in co-operation with the nine provincial governments. The crop-reporting services and other features of this division were maintained in increasing efficiency.

Industrial Production.—Censuses of the production of the fisheries, mines, forests, and manufactures were taken by correspondence during the year.

External Trade.—The monthly report of imports and exports was remodelled, including the adoption of a new classification of articles and an improved arrangement of tables. The practice of issuing advance summaries relating to the statistics of the more important imports and exports was initiated.

Internal Trade.—Further improvements in the presentation of grain statistics were carried out and the preliminary work done on a similar annual treatment of the live stock industry. The work of the bureau on prices was also organized in final form.

Finance.—A co-ordination of the public accounts of the Dominion and of the provinces was carried out, and a beginning made in the systematic collection of municipal statistics.

Criminal Statistics.—The usual annual report on criminal statistics was brought out in somewhat curtailed form.

Education.—A detailed scheme for the presentation of statistics of education was drawn up and was the subject of discussion between the Bureau and the several Provincial Departments of Education, good progress being made in the direction of standardization and the general improvement of educational records.

General.—The Canada Year Book as issued during the past year contains as its leading article a statement entitled "Fifty Years of Canadian Progress," in addition to its usual features.

During the winter of 1920 the Dominion Statistician attended the British Empire Statistical Conference in London, as the representative of Canada.

CANADIAN TRADE COMMISSION.

While the activities of the Canadian Trade Commission continued unabated during the past year, naturally the work to a certain extent fell off immediately following the signing of the armistice, though many contracts and other work of importance still remained to be dealt with by that commission.

During the war, as is well known, many industries in Canada had become converted into shell and munition factories, many new plants had been established for the production of shell components, and large additions had been made for the manufacture of iron and steel. Upon the cessation of hostilities Canada found herself confronted with the problem of unemployment through the closing down of war work activities. In the reconstruction work that followed, it became increasingly difficult for private trade, for a time at least, to get back into its normal channels, and it became necessary therefore that concerted efforts should be made to enable Canada to reap the full benefits abroad where so much trade activity continued to be controlled by various Government bodies.

The Canadian Trade Mission in London was therefore established, and under its auspices credits for certain European countries were arranged, the contracts being carried out at this end by the Canadian Trade Commission, which commission distributed and allocated the contracts amongst the various industries with due respect to the nature of any particular trade requirements and the local conditions appertaining to the same.

The Canadian Trade Commission was appointed by Order in Council, P.C. 3010, dated 6th December, 1918. The personnel of the commission was originally as follows:—

Chairman, Sir Charles Gordon, Montreal; C. B. McNaught, Toronto; H. B. Thomson, Victoria.

Owing to ill health, Mr. C. B. McNaught sent in his resignation, which was accepted by Order in Council, P.C. 1039, dated 19th May, 1919. The vacancy thus caused was filled by Mr. Rhys D. Fairbairn, of Toronto, confirmed by Order in Council, P.C. 1190, dated 23rd of June, 1919.

While this report in reality but covers the fiscal year ended March 31, 1920, for the purposes of record it may be stated that subsequently by Order in Council of the 19th of May, P.C. 1116, the undersigned was appointed chairman of the commission, and Mr. J. H. Wilkie a member, vice Sir Charles Gordon and Mr. Fairbairn, who resigned.

The powers and duties of the Canadian Trade Commission were defined by Order in Council, P.C. 3010, of the 6th December, 1918.

The main work of the commission consisted in functioning, in conjunction with the Canadian Mission in London, the credits which were extended by the Canadian Government to certain European countries whose populations were engaged in reconstruction work after the war. The following are the countries to which credits were extended:—

<i>Great Britain, P.C. 3208, 2nd January, 1919—</i>				
Timber.....				\$50,000,000
<i>Roumania, P.C. 690, 2nd April, 1919—</i>				
Foodstuffs.....	\$	50,00,000		
Raw Materials.....		5,000,000		
Manufactured Goods.....		15,000,000		
				\$25,000,000
<i>Belgium, P.C. 824, 15th April, 1919—</i>				
Foodstuffs.....	\$	5,000,000		
Raw Materials.....		5,000,000		
Manufactured Goods.....		15,000,000		
				\$25,000,000
<i>Greece. P.C. 825, 17th April, 1919—</i>				
Manufactured products and for materials for the Government.....	\$	20,000,000		
Goods purchased through Greek Government for citizens there.....		5,000,000		
				\$25,000,000
<i>France. P.C. 1502, 17th July, 1919—</i>				
Foodstuffs.....	\$	10,000,000		
Raw Materials.....		5,000,000		
Manufactured Goods.....		10,000,000		
				\$25,000,000
<i>Siberia. P.C. 334, dated 20th Feb., 1919—</i>				
Siberian Supply Co. (agents for Canadian Government).....				\$1,000,000
				\$151,000,000

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The amount actually expended by the Canadian Government against these orders up to March 31, 1920, were as follows:—

Great Britain.....	\$ 23,407,360.00
Roumania.....	19,410,041.86
Belgium.....	1,754,352.77
Greece.....	2,747,031.36
France.....	5,501,730.53

Coal.—The Fuel Controllers' office was closed on October 25, 1919. Almost immediately after a strike occurred in the bituminous coal fields of the United States. To meet this situation, the export of coal from Canada was prohibited except under license. The Fuel Controller, Mr. C. A. Magrath, did not have an organization to handle the situation, so the Canadian Trade Commission undertook the work, at the request of the Government, under the direction of Mr. Magrath.

It was necessary to immediately ascertain what stocks of coal were in the country, the quantity available on wheels on Canadian railroads, and the minimum requirements of central Canada for the remaining months of the coal year.

After investigation of Canada's needs, Mr. Magrath proceeded to Washington and succeeded in inducing the United States authorities to allow Canada a supply of one hundred and twenty-five cars per day, provided that the coal was distributed in accordance with priority ratings, established by the United States Fuel Administration.

He was also required to guarantee payment of any coal supplied under this arrangement.

The procedure adopted in distributing this emergency coal was, that all applicants filed affidavits with their provincial administrator, setting forth the following information:—

- (1) The character of the work to carry on which the coal was required.
- (2) The quantity of coal on hand.
- (3) Daily consumption.
- (4) Source from which coal was usually obtained.
- (5) Size and grade of coal desired.

If the Provincial Fuel Administrator approved of the application, it was forwarded to the Canadian Trade Commission, the applicant being required to advance a deposit at the rate of \$150 per car for each car of coal required.

The arrangements made were quite satisfactory, although Canada never received the 125 cars per day, as promised: such industries, public utilities and institutions as were short of coal receiving sufficient supplies to keep them operating and heated. Fortunately the strike was settled about the middle of December and anxieties in regard to the coal supply for Canada were greatly relieved.

As the Fuel Administration had been set up under the War Measures Act, and the future appearing brighter, an Order in Council was passed, cancelling the order establishing Fuel Control in Canada on the Fifth day of March last.

Sugar.—In regard to sugar, a shortage developed during the preserving season in 1919, and as in the early part of 1919 sugar had been plentiful and the supply more than sufficient to meet the domestic demand, export had been encouraged and allowed. The prevailing world shortage, however, created a condition whereby it was more profitable for the refiners to export sugar than to sell it in the home market, and in order to conserve the necessary supplies for the domestic and manufacturing consumption of Canada all export licenses were cancelled.

The shortage which obtained during 1919 has continued this year, owing in a large measure to the shortage of the Cuban crop and also to the increased demands from European countries.

The underlying principle governing the licensing of exports is that the home demand must be met before any export licenses are granted. Owing to strikes in Cuba and the United States, the movement of raws to Canada was considerably delayed during the early part of the year, and consequently, although the refiners made fair deliveries there has been no surplus for export, and should all the contracts which the refiners have for raw sugars be filled, there would still appear to be a shortage, but as there are still raw sugars for sale, the refiners will doubtless be able to meet the demand, although the price for raws has increased from 6½ cents a pound in October last to 18½ cents per pound to-day. It is not expected that the refiners will be able to procure the balance of their requirements at a less figure than the prices now being quoted. Nevertheless, Canada to-day is better supplied with sugar than any other country in the world, and moreover, it is also cheaper.

CONTRACTS FOR THE PRODUCTION OF PIG-IRON.

When the War Trade Board was dissolved they had on hand two contracts for the production of pig-iron, viz., with the Midland Iron & Steel Company, Midland, Ont., and the Parry Sound Iron Company, Parry Sound, Ont., for their total production up to August 1, 1920, in the case of the former and September 30, 1920, for the latter. These contracts were based on payments on a sliding scale, the maximum being \$45 per ton for No. 1 foundry and \$44.50 for No. 2.

The administration of these contracts was subsequently taken over by this department and placed in direct charge of Mr. H. D. Bayne, Supervisor of Metal and Fibre.

On March 31 1919, very little had been done with the exception of appointing inspectors and chemists at Midland and Parry Sound, furthermore inspecting and analysing the above companies' products previous to February 1st by an outside commercial testing bureau, this amount being approximately 3,500 tons.

In view of the fact that the regular merchant furnaces were at that time in a position to take care of the country's needs, it became a question as to whether or not it would be advisable to continue or cancel the further production of pig-iron. At the request of the Acting Minister, Hon. A. K. Maclean, a physical examination was made and a report on both properties with a view of ascertaining the most equitable manner of adjustment.

Negotiations were then entered into between this Department and the two furnaces, with the result that after many conferences and meetings, the Government offered and the contractors accepted the sum of \$460,000 in the case of the Midland Iron & Steel Company and \$200,000 in the case of the Parry Sound Iron Company for the cancellation of their production on July 31st, 1919, agreeing however to take care of all loading and storage charges until August 31, 1920.

It then became purely a commercial proposition of disposing of the stock on hand in competition with the existing furnaces, which has been vigorously carried out as is shown by the following statement:—

MIDLAND IRON AND STEEL Co.

	No. 1 Foundry.	No. 2 Foundry.
Balance material on hand as on March 31, 1919, produced prior to that date.....	5,326 G.T.	4,665 G.T.
Produced April 1, 1919, to July 31, 1919.....	5,370 G.T.	6,905 G.T.
Adjustment on re-weighed casts.....	214 G.T.	190 G.T.
 Total to account for fiscal year.....	10,910 G.T.	11,380 G.T.
Shipped from April 1, 1919, to March 31, 1920.....	5,177 G.T.	4,196 G.T.
 Balance material on hand on March 31, 1920.....	5,733 G.T.	7,184 G.T.
Material sold—not shipped.....	5,733 G.T.	1,810 G.T.
 Balance material on hand—not sold.....	Nil.	5,374 G.T.

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PARRY SOUND IRON AND STEEL CO.

	No. 1 Foundry.	No. 2 Foundry.
Balance material on hand March 31, 1919, produced prior to that date.....	1,243 G.T.	741 G.T.
Produced April 1, 1919, to July 31, 1919.....	901 G.T.	2,068 G.T.
Total to account for fiscal year.....	2,144 G.T.	2,809 G.T.
Shipped from April 1, 1919, to March 31, 1920.....	1,868 G.T.	27 G.T.
Balance material on hand as of March 31, 1920.....	276 G.T.	2,782 G.T.
Material sold—not shipped.....	276 G.T.	Nil.
Balance material on hand—not sold.....	Nil.	2,782 G.T.

STATEMENT OF DISBURSEMENTS.

Paid Midland Iron and Steel Company for iron during Fiscal year 1919-20.....	\$ 601,074.31
Paid Parry Sound Iron Company for production of iron from April 1 to July 31, 1919 (cancellation date of contract).....	123,831.96
	724,906.27
Paid Midland Iron and Steel Company for cancellation of contract in lieu of further production.....	460,000.00
Paid Parry Sound Iron Company for cancellation of contract in lieu of further production..	200,000.00
Total paid for production fiscal year 1919-20.....	1,384,906.27
Paid freight charges on shipments of iron to consignees.....	57,797.16
Special inspection of approx. 3500 tons of iron material produced prior to Jan. 31, 1919.....	3,887.43
General expenses, salaries and overhead.....	13,530.11
Grand Total Expenses.....	1,460,120.97
Record of sales—proceeds of which will be applicable to fiscal year 1919-1920—	
No. 1 Foundry Ex. Midland..... 5177 G.T.....	\$ 204,845.86
No. 2 " " " " 4196 G.T.....	158,709.53
No. 1 " " " " Parry Sound..... 1868 G.T.....	81,191.83
No. 2 " " " " 27 G.T.....	998.60
	445,740.82
Estimated amount of material sold <i>not shipped</i> —exact figures cannot be determined until delivery points are named—7,819 G.T. at \$45.....	351,855.00
	797,600.82

RECAPITULATION.

Grand total expenses.....	\$ 1,460,120.97
Proceeds from sales.....	797,600.82
Estimated loss, including \$660,000 cancellation charged.....	662,520.15

In conclusion I might state that up to the present there has not been a single bad debt, all payments having been met in full, and although no profit has been made, the loss has been considerably less than originally anticipated.

BOARD OF GRAIN COMMISSIONERS.

Following an extraordinary mild winter a larger acreage was sown in 1919 to wheat, oats, flax and rye than ever before in the history of the Prairie Provinces. An early and very hot summer followed, during which little or no rain fell until harvest time. As a result the average yield per acre in Saskatchewan and Alberta was cut in half. In some sections the drought was so severe that crops were insufficient to provide feed for cattle. In some sections of Manitoba conditions were very similar to those existing in Saskatchewan and Alberta, but in other sections the crops were good and produced a high yield so that, except in the case of barley, the estimated production was about the same as in 1918. Harvesting commenced exceptionally early too, and the larger movement of the new crop in August seemed to indicate a speedy delivery of a large proportion to European buyers before the closing of navigation on the great lakes. Heavy rains set in, however, hindering the harvesting and threshing of the grain. This in turn was followed by a very early setting in of winter, and much grain was snowed under to await the advent of spring.

As long as navigation remained open on the Great Lakes ample tonnage was available to transport all the grain arriving at Fort William and Port Arthur, so that little remained at the close of the season in elevators. The movement by rail during the winter was freer than usual, taking care of the greater part of the grain arriving, and keeping stocks in store low.

During the period between September 1 and March 31, 7,825 more cars were inspected in the Western Grain Inspection Division than for the same period of the crop year 1918-19. The freer movement of oats on account of the record high prices accounted for an increase of 14,217 cars, more than offsetting decreases of 8,284 cars of wheat and 369 cars of flax inspected. In barley also, for the same reason, and in spite of a much smaller crop, an increase of 1,621 cars is noted. Comparative figures are as follows:—

Seven months ending:	Wheat.	Oats.	Barley.	Flax.	Rye.	Others.
March 31, 1919.....	88,451	10,055	6,119	1,937	896	412
March 31, 1920.....	80,167	24,272	7,740	1,568	1,478	470

The total receipts of each of these grains at all the Fort William and Port Arthur elevators for the same period reflect the same conditions and are as follows:—

	1919-1920.	1918-1919.
Wheat.....	72,067,183 Bushels	87,128,768 Bushels
Oats.....	18,024,567 "	6,074,490 "
Barley.....	6,361,620 "	5,074,925 "
Flax.....	929,592 "	1,540,353 "
Rye.....	888,263 "	732,912 "

The total grain handled by country elevators during the crop year 1918-19 showed a marked falling-off as compared with the previous year on account of the smaller crops of 1918:—

Receipts.	1918-1919.	1917-1918.
Wheat.....	23,976,794 Bushels	158,525,248 Bushels
Oats.....	38,643,567 "	58,063,127 "
Barley.....	12,500,638 "	8,961,495 "
Flax.....	1,982,659 "	4,896,410 "

The total amount of principal grains handled by the Government interior terminal elevators at Calgary, Moosejaw, Saskatoon and Vancouver, during the crop year 1918-19, as compared with the previous crop year, is as follows:—

Receipts.	1918-1919.	1917-1918.
Wheat.....	4,404,326 Bushels	7,311,780 Bushels
Oats.....	5,155,118 "	8,968,600 "
Barley.....	751,268 "	316,888 "
Flax.....	36,128 "	108,911 "
Rye.....	41,280 "	40,939 "

Of the wheat in 1918-19, 349,034 bushels were Australian wheat.

The total amount of principal grains handled by the Government elevator at Port Arthur, during the crop year 1918-19, as compared with the previous year, is as follows:—

Receipts.	1918-1919.	1917-1918.
Wheat.....	3,678,419 Bushels	8,911,239 Bushels
Oats.....	825,669 "	1,438,719 "
Barley.....	436,791 "	307,851 "
Flax.....	354,174 "	469,905 "
Rye.....	46,758 "	12,135 "

Owing to the light crop a large number of country elevators in the affected areas were not opened during the season, resulting in a decrease in the number of licenses issued of 180 as compared to 1918-19, and 442 as compared to 1917-18. The following statement shows the number of each class of license issued during the last three crop years:—

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Licenses Issued.	1917-1918.	1918-1919.
Country elevator.....	3,584	3,322
Other elevators.....	55	51
Track buyers'.....	156	130
Commission merchants'.....	126	117
 Total.....	 3,921	 3,620
<hr/>		
Country elevator.....	3,142	
Other elevators.....	53	
Track buyers'.....	131	
Commission merchants'.....	113	
	 3,349	

BOARD OF GRAIN SUPERVISORS.

The Board of Supervisors was created by Order in Council under the War Measures Act, on the 11th June, 1917. The members were as follows:—

Dr. R. Magill, Chairman; J. C. Gage, W. Bawlf, W. A. Matheson J., Stewart, T. A. Crerar, A. Wood, Best, Ainee, Clark.

The board marketed Canadian wheat during the critical years of the war, and it was dissolved on the 31st of January, 1920.

It marketed the balance of the wheat crop of 1916, and the whole of the wheat crops of 1917 and 1918, making a total of about 350,000,000 bushels of wheat.

The board was created because international trading in wheat by commercial methods had become impossible. Ocean tonnage, international money rates, price levels, credit facilities—all these conditions of international trading had been so profoundly disturbed by the war that only the Government could carry the burden of marketing the wheat.

The board fixed the basis price of wheat in store at Fort William and Port Arthur, then in parity with the basis price, the price at every elevator in the interior and at the seaboard. In fixing the basis price the board acted in close communication with the corresponding authority in the United States, with the result that the price of wheat of the same variety and grade and in the same relative position was identical in Canada and the United States.

The board distributed the wheat as between Canada and the Allied countries, and in so far as the domestic consumption was concerned, they distributed the wheat amongst Canadian millers.

The closing of navigation on the Great Lakes presses the problem of the carrying charges on wheat during the winter months. These charges include storage, interest and insurance. The price of wheat at any one point being identical during the twelve months, those carrying charges were paid by the Board out of the fund created for the purpose.

In handling the wheat the method adopted by the board and operated during the whole period of its existence was to fix the price of each grade and variety and at each geographical point, to fix all commissions and brokerages, to fix quantities to be delivered and the terms and conditions of delivery, to embody all these decisions in orders, and to utilize the existing grain and trade organizations to execute these orders. Close supervision was maintained, but throughout the war period producers, grain dealers and millers in Canada co-operated cordially with the board, and although the operations were so extensive and so complicated no friction resulted.

The fund created by the board for the payment of carrying charges was the result of an assessment of 4 cents per bushel on all wheat sold in 1917, and 3 cents per bushel on all wheat sold in 1918. Disbursements for carrying charges were

made regularly to all elevators and mills, but there were balances left from day to day in the banks to the credit of the board. The interest on these unused balances amounted to a total of \$149,193.37, and the total administrative expenses of the board for all purposes were \$146,621.65. The interest, therefore, paid the total administrative expenses of the board, and out of the carrying charge fund there was when the board was dissolved, an unused surplus of about \$400,000, which surplus was handed over to the Dominion Government.

ELECTRICITY AND GAS INSPECTION.

The work of inspection of these services continues to expand. The number of electric meters verified during the fiscal year was 182,214 and gas meters 83,954, making a total of 266,168. This indicates an increase of over 50,000 meters for the year. Add to this the number of tests made in the standardizing laboratories at Ottawa, Winnipeg and Vancouver, and the total will reach approximately 500,000 tests. Some difficulty has been experienced in maintaining the inspection staff up to a condition adequate to meet the increase in the amount of work, due largely to the fact that better salaries are being paid by the electric lighting and power companies outside the service.

The completion of the work of equipment of the Winnipeg electrical standardizing laboratory has been delayed somewhat by the non-delivery of switch-board material, but the work of checking the working standards of the division has been carried on under improvised conditions and no very serious inconvenience has been experienced. It is expected that the equipment of the laboratory will be completed within the next few months and the standards available for the comparison of instruments from the electric companies and industries generally.

There are eleven hydro-electric companies at present engaged in the export of electrical energy to the United States under conditions as to quantities and terms similar to those obtained that prior to the war. With regard to the demand made by certain of the municipalities of Ontario that the export of power be reduced in order that an increased supply be made available for Canadian users, it may be stated that on former occasions when the cutting off of the export of electric power has been raised interested parties in the United States have pointed out that should the export be discontinued by Canada the question of the export of coal from the United States to Canada would also have to be considered, and the discontinuance in one case would no doubt be followed by similar action in the other.

During the year 1919 Canada imported approximately 21,000,000 tons of coal from the United States and exported 2,000,000 kilowatt hours of electrical energy, equivalent to approximately 3,000,000 tons of coal. It will thus be seen that in the matter of power Canada receives from the United States about seven times more than she gives her.

Under the circumstances the question becomes one of international importance between the two countries.

The reports and statistics as to the work done under the Electricity and Gas Inspection Acts will appear as usual in part 2, departmental report, for the fiscal year.

WEIGHTS AND MEASURES.

The return for the year just closed, for the Weights and Measures service, which is in charge of Mr. E. O. Way, Chief Inspector, compare favourable with any preceding year, in spite of the advanced prices which this service has had to meet in travelling, freight, cartage, livery and board.

The number of weights, measures and machines inspected have increased by 39,408—the grand total being 427,408, as against 388,338 for the previous year.

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The revenue collected also shows the creditable increase of \$12,975.63—the grand total being \$149,473.43, as against \$136,497.80 last year.

The figures for expenditure are not quite complete at this time of writing—but the total within a few dollars (exact figures will be given in the Weights and Measures and Gas and Electricity separate report), show an increase of \$36,-601.45 over last year, the grand total being verily closely \$266,487.34, as against \$229,885.89 for the previous year. Of this adverse advance, \$30,332.54 is made up of increases in salary, \$10,495.89, and increased bonus, \$19,836.65—limiting the actual increase in working expenses to \$6,268.91, which is more than covered by the \$12,975.63 increase in revenue.

There are only 134 inspecting officers for the Dominion, and the total on account of salaries is—

Salaries.....	\$ 131,015 84
Provisional allowance (part of the year only).....	3,821 77
Bonus.....	45,663 54
	<hr/>
	\$ 181,501 15

That is, salaries average less than \$1,000 per man, whereas the classification fixes the minimum for a new man at \$1,200.

During the year 209 seizures have been made of false and incorrect scales, etc. but only eighteen prosecutions have been instituted, since a great many of the offenders are little traders and very often of foreign extraction, unable to read either English or French.

Considerable investigation and supervision has been exercised over short weight under section 61a, chapter 75, an Act to amend the Weights and Measures Act. Short weight is an insidious evil and its significance is not fully realized. For these reasons a great many shortages are due to pure carelessness and indifference; but to the purchasing public, short weight at current high prices by carelessness is as great a loss as short weight by fraud. As a new departure, the service has not resorted to prosecution except in very bad cases—in fact only five proceedings were taken during the year—but there is plenty of evidence to show that our missionary campaign against this feature in trade by weight and measure has been excellent and beneficial results to the great benefit of the public.

METRIC SYSTEM.

A determined campaign by mail, directed from San Francisco, U.S.A., to bring about the compulsory introduction of the Metric System has engaged the close attention of the chief inspector during the past year. Some 225 cards have been received bearing printed resolutions for the early introduction of the Metric-litre-gram System. It is, however, instructive to note that only nine (9) of these resolutions have been signed by those engaged in any productive business or industry, all the rest being signed by doctors, dentists, lecturers, clergymen, and barristers.

It would be a very serious thing to force this new system of weights and measures upon agriculture and industry, where the unit of measure and weight are the basis of production, upon the demand of theorists, or because the chemist and the medical man find the Metric System with its decimal sequence and inter-relation so useful in his laboratory. For their part the Canadian Manufacturers' Association (as representing practical men) sent in last year a strongly worded resolution protesting against any such change, pointing out, *inter alia*, that a special British Committee appointed by the British Government to study this subject in relation to British trade, including exports, reported absolutely against any such revolutionary step.

It is quite apparent that the introduction of a new set of units of measurement must create confusion, since existing production on the present English units must last and continue in use a great many years. Instead of simplicity then, the Metric System will simply make matters worse, and history teaches us that even fifty years of compulsion in France herself has not brought about a complete use of the Metric System and that in the Netherlands the new system was not generally used even eighty years after its adoption. The situation is being closely watched and carefully studied.

The financial statement, together with statistics showing the complete activities of this service, will be issued in a separate report.

GOLD AND SILVER MARKING ACT.

Mr. W. J. Ryan, Inspector of the Gold and Silver Marking Act, reports, for the year ending December 31, 1919, that the conditions that exist to-day among the manufacturers and dealers in all kinds of jewellery and silverware, and also their kindred lines has vastly changed from those of five years ago; and such changes cannot be said to be to the detriment of any one in the trade.

The manufacturers were taxed to their utmost in their endeavour to fill the greater portion of the demands made upon them, while the retailer was complaining of the lack of goods to gratify the demand of the public for luxurious articles, while the wages of all, especially that of the working jewellers were increased.

The prospects for the coming year appear to be very good, providing that the manufacturers can get material (gold and silver) to keep their establishments going.

The continuous demand of the public for articles of gold and silver, and the difficulty of importing such articles continually increasing, has already put the manufacturer at his wits end to cope with the situation.

The conditions mentioned has had unsettling effects in some respects, however, especially among the working jewellers. The high prices of, and big demand for jewelry seem to lure many into the manufacturing, especially into the making of rings, which requires very little capital for plant; in fact all their capital is required for material.

Your inspector was obliged to bring six of these new men in business into court for contraventions of sections 7 and 8 of the Act. It is a common infraction of the Act for new men in the business to omit application of a registered trade mark, and to make goods inferior in quality, as was the case with those brought into court, and convicted on the assay of the Royal Mint.

There were also seven retail dealers brought into court under section 14, they having made use of printed matter, representing gold-plated articles to be of gold-filled quality and guaranteeing to wear a length of time; they were also convicted and fined.

In conclusion, sir, I beg to say that owing to the scarcity of gold, there is likely to be a tendency to manufacture more gold-filled and gold-plated goods, and consequently it will be necessary for your inspector to continue his scrutiny of such lines and be more rigorous in the enforcement of such sections of the Act governing such lines.

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CRUDE PETROLEUM BOUNTIES.

Mr. J. C. Waddell, Supervisor of Crude Petroleum Bounties, reports for the calendar year ended December 31, 1919, as follows:—

The crude petroleum production of the oil-fields in Western Ontario has been for some years about 200,000 barrels annually.

In the year 1919, 220,000 barrels were produced. This production compared with the production of 1918 shows a decrease of about 68,000 barrels. This decrease is found principally in the new oil-fields in Moza township, Middlesex county, the decrease in this field being 63,000 barrels for the past season; the other field which showed marked decrease is Tilbury, which showed a decrease of about 7,000 barrels for the year.

It is very satisfactory to know that the old Lambton county oil-fields have increased their production by some 5,000 barrels. Petrolia and Enniskillen show an increase of 4,600 barrels, and Oil Springs an increase of 500 barrels. This shows great stability, as the Petrolia oil-fields are now entering on their 58th year of oil production.

The following is a summary of the oil districts, showing the increase or decrease in the production of 1919, as compared with the year 1918:—

Petrolia and Enniskillen.....	Increase about	4,600 barrels
Oil Springs.....	" "	500 "
Sarnia township.....	" "	800 "
Plympton township.....	" "	150 "
Bothwell.....	" "	300 "
Moore township.....	Decrease	2,300 "
Tilbury.....	" "	7,000 "
Dutton.....	" "	600 "
Ononadaga.....	" "	1,000 "
Belle river.....	" "	450 "
Moza township.....	" "	63,000 "
Thamesville.....	" "	750 "

OIL PRODUCTION.

CRUDE PETROLEUM. YEAR 1919.

Month.	Gallons.	Barrels.	Bounty Paid.
January.....	850,333	24,295.08	\$ 12,754.98
February.....	692,494	19,785.19	10,387.41
March.....	660,598	18,874.08	9,908.93
April.....	643,910	18,397.15	9,658.63
May.....	603,805	17,251.20	9,057.04
June.....	612,315	17,494.25	9,184.65
July.....	694,280	19,836.20	10,414.21
August.....	666,321	19,037.26	9,994.77
September.....	621,311	17,751.26	9,319.62
October.....	542,070	15,487.25	8,131.06
November.....	506,709	14,477.14	7,600.61
December.....	609,369	17,410.19	9,140.51
Totals.....	7,703,515	220,100.15	\$115,552.42

By DISTRICTS.

District.	Barrels.
Petrolia and Enniskillen.....	70,087.00
Oil Springs.....	45,244.31
Moore township.....	4,029.03
Sarnia township.....	4,259.13
Plympton township.....	560.01
Bothwell.....	29,424.32
Tilbury.....	18,365.00
Dutton.....	1,272.15
Onondaga.....	196.27
Belle River.....	
Moza township.....	45,859.29
Thamesville.....	801.04
Total.....	220,100.15

The average price paid per barrel during the year was \$2.87 1/2.

BINDER TWINE.

Mr. J. C. Waddell, Inspector of Binder Twine, reports for the calendar year ended December 31, 1919, as follows:—

During the year at different periods, I have inspected the twine in all the factories, and have found the twine companies filling large orders and running to full capacity. I have carefully inspected the twine and have much satisfaction in reporting to you that all times I have found the manufacturers keeping their twine up to the standard called for in the binder twine regulations.

I have also inspected twine in all the large centres throughout the Dominion, and have found the twine to be of first class quality, and up to the standard in length, strength and uniformity, and fully complying with all regulations as required. In no case have I found any twine not up to standard, hence have not had a cause to make a seizure during the past season.

The amount of binder twine manufactured in all the factories for the past year is 16,750 tons.

The firms manufacturing binder twine are as follows:—

The Brantford Cordage Co., Brantford, Ontario.

The Consumers Cordage Co., Montreal, Que.

The Consumers Cordage Co., Dartmouth, N.S.

The Plymouth Cordage Co., Welland, Ontario.

DEPARTMENTAL CHANGES.

Upon the creation of the Department of Health, the administration of the Adulteration Act, the Proprietary or Patent Medicine Act, the Commercial Feeding Stuffs Act and the Fertilizers Act were transferred to that department from the Department of Trade and Commerce. This was effected by Order in Council of the 23rd of August, 1919.

Respectfully submitted,

F. C. T. O'HARA,

Deputy Minister.

